EV = (R / 0.931) * (EC / 77,550)

Where:

EV = Equivalence Value for the renewable fuel, rounded to the nearest tenth.
R = Renewable content of the renewable fuel. This is a measure of the portion of a renewable fuel that came from a renewable source, expressed as a percent, on an energy basis.
EC = Energy content of the renewable fuel, in Btu per gallon (lower heating value).

(2) The application for an equivalence value shall include a technical justification that includes a description of the renewable fuel, feedstock(s) used to make it, and the production process.

(3) The Agency will review the technical justification and assign an appropriate Equivalence Value to the renewable fuel based on the procedure in this paragraph (d).

(4) For biogas, the Equivalence Value is 1.0, and 77,550 Btu of biogas is equivalent to 1 gallon of renewable fuel.

[72 FR 23995, May 1, 2007]

§§ 80.1116–80.1124 [Reserved]

§ 80.1125 Renewable Identification Numbers (RINs).

Each RIN is a 38 character numeric code of the following form:

KYYYYCCCCFFFFFBBBBBRRDSS SSSSSSEEEEEEEE

(a) K is a number identifying the type of RIN as follows:

(1) K has the value of 1 when the RIN is assigned to a volume of renewable fuel pursuant to §§ 80.1126(e) and 80.1128(a).

(2) K has the value of 2 when the RIN has been separated from a volume of renewable fuel pursuant to § 80.1126(e)(4) or § 80.1129.

(b) YYYY is the calendar year in which the batch of renewable fuel was produced or imported. YYYY also represents the year in which the RIN was originally generated.

(c) CCCC is the registration number assigned according to § 80.1150 to the producer or importer of the batch of renewable fuel.

(d) FFFFF is the registration number assigned according to § 80.1150 to the facility at which the batch of renewable fuel was produced or imported.

(e) BBBBB is a serial number assigned to the batch which is chosen by the producer or importer of the batch such that no two batches have the same value in a given calendar year.

(f) RR is a number representing the equivalence value of the renewable fuel as specified in § 80.1115 and multiplied by 10 to produce the value for RR.

(g) D is a number identifying the type of renewable fuel, as follows:

(1) D has the value of 1 if the renewable fuel can be categorized as cellulosic biomass ethanol as defined in § 80.1101(a).

(2) D has the value of 2 if the renewable fuel cannot be categorized as cellulosic biomass ethanol as defined in § 80.1101(a).

(h) SSSSSSSS is a number representing the first gallon-RIN associated with a batch of renewable fuel.

(i) EEEEEEEE is a number representing the last gallon-RIN associated with a batch of renewable fuel. EEEEEEEE will be identical to SSSSSSSS if the batch-RIN represents a single gallon-RIN. Assign the value of EEEEEEEE as described in § 80.1126.

[72 FR 23995, May 1, 2007]

§ 80.1126 How are RINs generated and assigned to batches of renewable fuel by renewable fuel producers or importers?

(a) *Regional applicability.* (1) Except as provided in paragraph (b) of this section, a RIN must be assigned by a renewable fuel producer or importer to every batch of renewable fuel produced by a facility located in the contiguous 48 states of the United States, or imported into the contiguous 48 states.

(2) If the Administrator approves a petition of Alaska, Hawaii, or a United States territory to opt-in to the renewable fuel program under the provisions in § 80.1143, then the requirements of paragraph (a)(1) of this section shall also apply to renewable fuel produced or imported into that state or territory beginning in the next calendar year.

(b) *Volume threshold.* Renewable fuel producers located within the United States that produce less than 10,000 gallons of renewable fuel each year, and importers that import less than 10,000 gallons of renewable fuel each year, are not required to generate and assign RINs to batches of renewable fuel. Such producers and importers are

also exempt from the registration, reporting, and recordkeeping requirements of §§ 80.1150–80.1152. However, for such producers and importers that voluntarily generate and assign RINs, all the requirements of this subpart apply.

(c) *Definition of batch.* For the purposes of this section and § 80.1125, a ''batch of renewable fuel'' is a volume of renewable fuel that has been assigned a unique RIN code BBBBB within a calendar year by the producer or importer of the renewable fuel in accordance with the provisions of this section and § 80.1125.

(1) The number of gallon-RINs generated for a batch of renewable fuel may not exceed 99,999,999.

(2) A batch of renewable fuel cannot represent renewable fuel produced or imported in excess of one calendar month.

(d) *Generation of RINs.* (1) Except as provided in paragraph (b) of this section, the producer or importer of a batch of renewable fuel must generate RINs for that batch, including any renewable fuel contained in imported gasoline.

(2) A producer or importer of renewable fuel may generate RINs for volumes of renewable fuel that it owns on September 1, 2007.

(3) A party generating a RIN shall specify the appropriate numerical values for each component of the RIN in accordance with the provisions of § 80.1125 and this paragraph (d).

(4) Except as provided in paragraph (d)(6) of this section, the number of gallon-RINs that shall be generated for a given batch of renewable fuel shall be equal to a volume calculated according to the following formula:

$$V_{RIN} = EV * V_s$$

Where:

V_{RIN} = RIN volume, in gallons, for use determining the number of gallon-RINs that shall be generated.
EV = Equivalence value for the renewable fuel per § 80.1115.
V_s = Standardized volume of the batch of renewable fuel at 60 °F, in gallons, calculated in accordance with paragraph (d)(7) of this section.

(5) Multiple gallon-RINs generated to represent a given volume of renewable fuel can be represented by a single batch-RIN through the appropriate designation of the RIN volume codes SSSSSSSS and EEEEEEEE.

(i) The value of SSSSSSSS in the batch-RIN shall be 00000001 to represent the first gallon-RIN associated with the volume of renewable fuel.

(ii) The value of EEEEEEEE in the batch-RIN shall represent the last gallon-RIN associated with the volume of renewable fuel, based on the RIN volume determined pursuant to paragraph (d)(4) of this section.

(6) (i) For renewable crude-based renewable fuels produced in a facility or unit that coprocesses renewable crudes and fossil fuels, the number of gallon-RINs that shall be generated for a given batch of renewable fuel shall be equal to the gallons of renewable crude used rather than the gallons of renewable fuel produced.

(ii) Parties that produce renewable crude-based renewable fuels in a facility or unit that coprocesses renewable crudes and fossil fuels may submit a petition to the Agency requesting the use of volumes of renewable fuel produced as the basis for the number of gallon-RINs, pursuant to paragraph (d)(4) of this section.

(7) *Standardization of volumes.* In determining the standardized volume of a batch of renewable fuel for purposes of generating RINs under this paragraph (d), the batch volumes shall be adjusted to a standard temperature of 60 °F.

(i) For ethanol, the following formula shall be used:

$$V_{s,e} = V_{a,e} * (-0.0006301 * T + 1.0378)$$

Where:

$V_{s,e}$ = Standardized volume of ethanol at 60 °F, in gallons.
$V_{a,e}$ = Actual volume of ethanol, in gallons.
T = Actual temperature of the batch, in °F.

(ii) For biodiesel (mono alkyl esters), the following formula shall be used:

$$V_{s,b} = V_{a,b} * (-0.0008008 * T + 1.0480)$$

Where:

$V_{s,b}$ = Standardized volume of biodiesel at 60 °F, in gallons.
$V_{a,b}$ = Actual volume of biodiesel, in gallons.
T = Actual temperature of the batch, in °F.

(iii) For other renewable fuels, an appropriate formula commonly accepted by the industry shall be used to standardize the actual volume to 60 °F. Formulas used must be reported to the

Agency, and may be reviewed for appropriateness.

(8) (i) A party is prohibited from generating RINs for a volume of renewable fuel that it produces if:

(A) The renewable fuel has been produced from a chemical conversion process that uses another renewable fuel as a feedstock; and

(B) The renewable fuel used as a feedstock was produced by another party.

(ii) Any RINs that the party acquired with renewable fuel used as a feedstock shall be assigned to the new renewable fuel that was made with that feedstock.

(e) *Assignment of RINs to batches.* (1) Except as provided in paragraph (e)(4) of this section, the producer or importer of renewable fuel must assign all RINs generated to volumes of renewable fuel.

(2) A RIN is assigned to a volume of renewable fuel when ownership of the RIN is transferred along with the transfer of ownership of the volume of renewable fuel, pursuant to §80.1128(a).

(3) All assigned RINs shall have a K code value of 1.

(4) *RINs not assigned to batches.* (i) If a party produces or imports a batch of cellulosic biomass ethanol or waste-derived ethanol having an equivalence value of 2.5, that party must assign at least one gallon-RIN to each gallon of cellulosic biomass ethanol or waste-derived ethanol, representing the first 1.0 portion of the Equivalence Value.

(ii) Any remaining gallon-RINs generated for the cellulosic biomass ethanol or waste-derived ethanol which represent the remaining 1.5 portion of the Equivalence Value may remain unassigned.

(iii) The producer or importer of cellulosic biomass ethanol or waste-derived ethanol shall designate the K code as 2 for all unassigned RINs.

[72 FR 23995, May 1, 2007]

§80.1127 How are RINs used to demonstrate compliance?

(a) *Renewable volume obligations.* (1) Except as specified in paragraph (b) of this section, each party that is obligated to meet the Renewable Volume Obligation under §80.1107, or each party that is an exporter of renewable fuels that is obligated to meet a Renewable Volume Obligation under §80.1130, must demonstrate pursuant to §80.1152(a)(1) that it has taken ownership of sufficient RINs to satisfy the following equation:

$$(\sum \text{RINNUM})_i + (\sum \text{RINNUM})_{i-1} = \text{RVO}_i$$

Where:

$(\sum \text{RINNUM})_i$ = Sum of all owned gallon-RINs that were generated in year i and are being applied towards the RVO_i, in gallons.

$(\sum \text{RINNUM})_{i-1}$ = Sum of all owned gallon-RINs that were generated in year i−1 and are being applied towards the RVO_i, in gallons.

RVO_i = The Renewable Volume Obligation for the obligated party or renewable fuel exporter for calendar year i, in gallons, pursuant to §80.1107 or §80.1130.

(2) For compliance for calendar years 2008 and later, the value of $(\sum \text{RINNUM})_{i-1}$ may not exceed a value determined by the following inequality:

$$(\sum \text{RINNUM})_{i-1} \leq 0.20 \times \text{RVO}_i$$

(3) RINs may only be used to demonstrate compliance with the RVO for the calendar year in which they were generated or the following calendar year. RINs used to demonstrate compliance in one year cannot be used to demonstrate compliance in any other year.

(4) A party may only use a RIN for purposes of meeting the requirements of paragraphs (a)(1) and (a)(2) of this section if that RIN is an unassigned RIN with a K code of 2 obtained in accordance with §§80.1126(e)(4), 80.1128, and 80.1129.

(5) The number of gallon-RINs associated with a given batch-RIN that can be used for compliance with the RVO shall be calculated from the following formula:

$$\text{RINNUM} = \text{EEEEEEEE} - \text{SSSSSSSS} + 1$$

Where:

RINNUM = Number of gallon-RINs associated with a batch-RIN, where each gallon-RIN represents one gallon of renewable fuel for compliance purposes.

EEEEEEEE = Batch-RIN component identifying the last gallon-RIN associated with the batch-RIN.

SSSSSSSS = Batch-RIN component identifying the first gallon-RIN associated with the batch-RIN.